

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.

MMN 22979

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		8. Well Name and No. LEA SOUTH 25 FEDERAL COM WCA 12H
2. Name of Operator NEARBURG PRODUCING COMPANY		9. API Well No. 30-025-43110-00-X1
3a. Address 3300 NORTH A STREET BLDG 2 STE 120 MIDLAND, TX 79705		10. Field and Pool or Exploratory Area WC025G10S2133351;PERMO UPR PEN
3b. Phone No. (include area code) Ph: 972-979-0132		11. County or Parish, State LEA COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T20S R34E SESE 0330FSL 0340FEL 32.321594 N Lat, 103.302257 W Lon		

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Change to Original A
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	PD

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

- A. Change of Well Name from: Lea South 25 Federal Com 12H
to: Lea South 25 Federal Com WCA 12H
B. Change field and Pool from: Lea Bone Spring South
to: Wildcat Wolfcamp
C. Formation Tops: See Attached
D. Change of Casing Design: See Attached

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

This transaction replaces EC #374978 due to incorrect API # entered. Please return EC #374978

14. I hereby certify that the foregoing is true and correct. Electronic Submission #378069 verified by the BLM Well Information System For NEARBURG PRODUCING COMPANY, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/07/2017 (17DLM1231SE)	
Name (Printed/Typed) BETTIE WATSON	Title AGENT
Signature (Electronic Submission)	Date 06/06/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>MUSTAFA HAQUE</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>06/13/2017</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office Hobbs		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

KQ

28: a) Change Well Name

From: Lea South 25 Federal Com 12H

To: Lea South 25 Federal Com WCA 12H

b) Change Field and Pool to Wildcat Wolfcamp. Well Objective change to Wolfcamp.

c) Formation Tops

Formation	Est. Top	Bearing
Rustler	1650	NA
Top of Salt	1800	NA
Tansil	3400	NA
Capitan	3970	NA
Delaware	5700	Hydrocarbons
Bone Spring	8400	NA
Avalon Shale	8900	
1st Bone Spring Ss	9600	Hydrocarbons
2nd Bone Spring Ss	10150	Hydrocarbons
3rd Carbonate	10630	
3rd Bone Spring Ss	10925	Hydrocarbons
3rd Bone Spring C Ss	11015	Hydrocarbons
Wolfcamp	11510	Hydrocarbons

d) Casing Program

Open Hole Size (Inches)	Casing Depth; From (ft)	Casing Setting Depth (ft) MD	Casing Setting Depth (ft) TVD	Casing Size (Inches)	Casing Weight (lb/ft)	Casing Grade	Thread	Condition	Anticipated Mud Weight (ppg)	Burst SF (1.125)	Collapse SF (1.125)	Buoyant Weight (lbs)	Tension SF (1.8)
Intermediate													
12.25"	0'	5700	5700	9 5/8"	40	J-55	LTC	New	10.2	1.31	1.28	192,462	2.35
Production													
8.75"	0'	16047	11628	5 1/2"	20	P-110	BTC	New	9.2	1.91	1.34	199,865	2.23

Casing Design Criteria and Casing Loading Assumptions:

Surface

Tension: A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of 8.4 ppg

Collapse: A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of 8.4 ppg

Burst: A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of 8.4 ppg

Intermediate

Tension: A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of 10.2 ppg

Collapse: A 1.125 design factor with 1/3 TVD internal evacuation and collapse force equal to a mud gradient of 10.2 ppg

Burst: A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of 10.2 ppg

Production

Tension: A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of 9.2 ppg

Collapse: A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of 9.2 ppg

Burst: A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of 9.2 ppg

e) Cement Program – Add DV tool to 9-5/8" string at 3870' (100' above Capitan Reef)

Intermediate	Sacks	Yield (cuft/sk)	Weight (ppg)	Cubic Feet	Cement Blend
1st Stage					
Lead	450	1.88	12.9	846	35:65 (poz/C) + Salt + Bentonite + LCM + Retarder
Tail	224	1.34	14.8	300	Class C + LCM + Retarder
2nd Stage					
Lead	1140	1.88	12.9	2144	35:65 (poz/C) + Salt + Bentonite + LCM + Retarder
Tail	209	1.34	14.8	280	Class C + LCM + Retarder
Comments	TOC: 0'		100% Excess		DV Tool @ 3970'

Production	Sacks	Yield (cuft/sk)	Weight (ppg)	Cubic Feet	Cement Blend
Lead	771.7	2.4	11.9	1852	35:65 (poz/C) + Salt + Sodium Metasclcate + Bentonite + Fluid Loss + Dispersant + LCM + Retarder
Tail	1247	1.24	14.5	1546	50:50 (poz/C) + Salt + Bentonite + Fluid Loss + Dispersant + LCM + Retarder
Comments	TOC: 500' inside previous casing		25% Excess		No centralizers in the lateral section. 1 every jt from EOC to KOP. 1 every 4th jt from KOP to 500' inside previous casing.

50' above top of Capitan Reef (~ 3920')

f) Directional Plan

Pressure Control Equipment:

Attached BOP exhibit. A BOP consisting of two rams with blind rams and pipe rams, and one annular preventer. ~~Below the surface casing, a 2M system will be used. Below the intermediate casing, a 3M system will be used.~~ A 5M system will be used from below the surface casing to TD of the well. See attachments for BOP and choke manifold diagrams. An accumulator that meets the requirements in Onshore Order #2 for the pressure rating of the BOP stack. A rotating head may be installed as needed. A Kelly cock will be installed and maintained in operable condition and a drill string safety valve will be available on the rig floor.

BOP and associated equipment will be installed, used, and tested in a manner necessary to assure well control and shall be in place and operational prior to drilling the surface casing shoe. The annular preventer shall be functioned at least weekly. The pipe and blind rams will be operated each trip. No abnormal pressure or temperature is expected while drilling.

BOP's will be tested by an independent service company. The ram preventers, choke manifold, and safety valves will be tested as follows: ~~On the surface casing, pressure tests will be made to 250 psi low and 2000 psi high. On the intermediate casing, pressure tests will be made to 250 psi low and 3000 psi high.~~ to 250 psi low and 5000 psi high.

The annular preventer will be tested to ~~250 psi low and 1000 psi high on the surface casing, and 250 psi low and 1500 high on the intermediate casing.~~ 250 psi low and 2500 psi high.

Chisholm Energy Holdings

WELL DETAILS: Lea South 25 Federal Com 12H

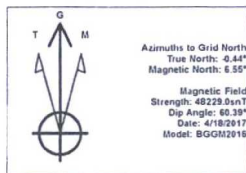
Plat @ 3785.00usft (KB (+25ft))

Ground Level: 3760.00

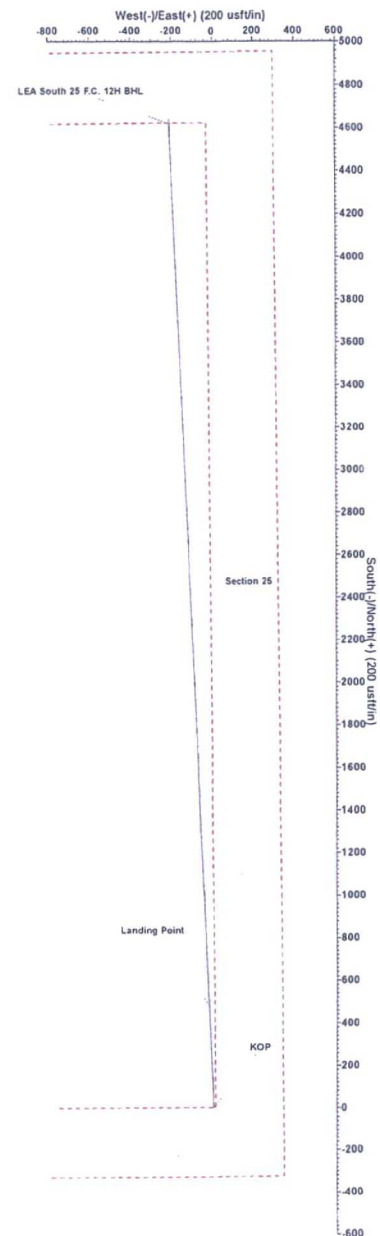
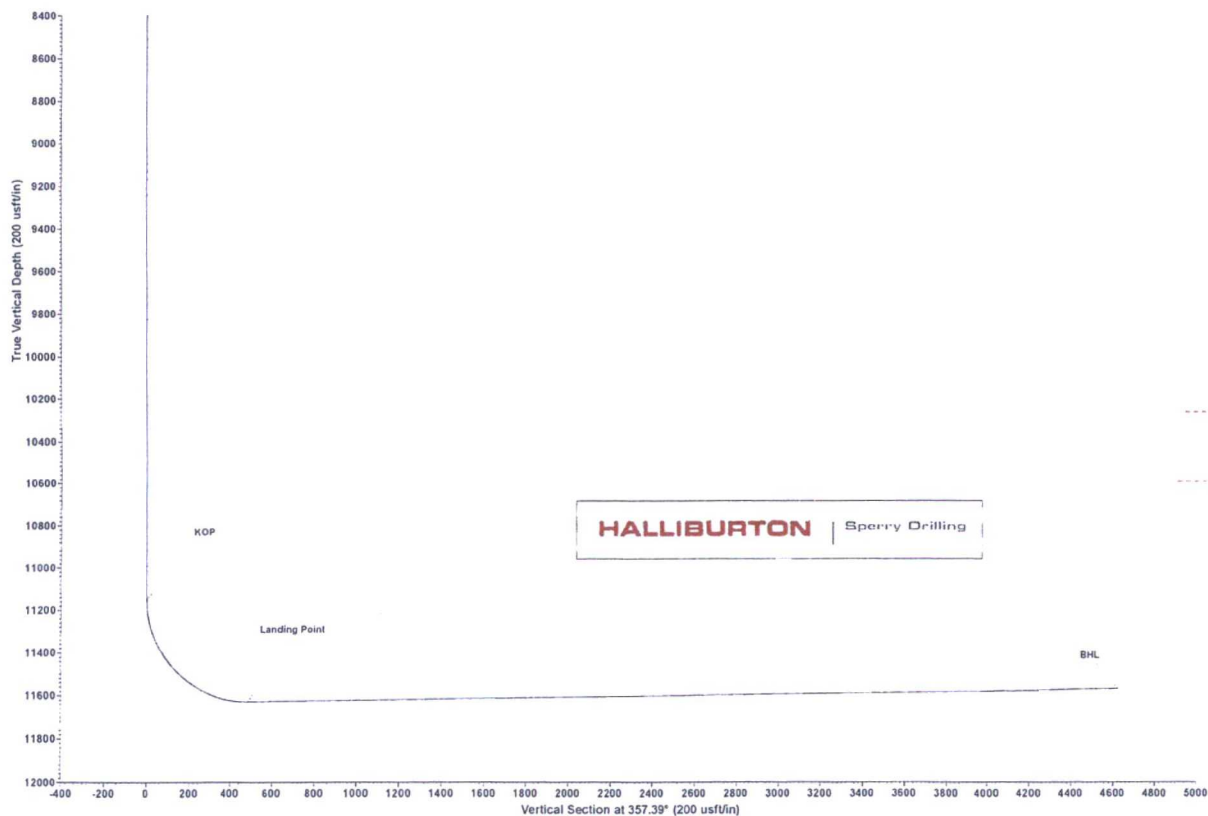
0.00 0.00 Northing 560357.70 Easting 795213.20 32° 32' 15.941 N 103° 30' 22.574 W

SECTION DETAILS Plan 1

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	Vsect	Annotation
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	11150.82	0.00	0.00	11150.82	0.00	0.00	0.00	0.00	KOP
3	11907.49	90.80	357.39	11628.24	483.63	-22.07	12.00	484.13	Landing Point
4	16047.37	90.80	357.39	11570.44	4618.80	-210.80	0.00	4623.61	BHL



Lea County, NM (NAD 83)
Lea South 25 Federal Com
Lea South 25 Federal Com 12H
330'FSL, 340' FEL of Sec 25
Wellbore #1
Plan 1
KB (+25ft)
11635' TVD @ 0° VS and 90.8°



KB (+25ft)

Chisholm Energy Holdings

Lea County, NM (NAD 83) Lea South 25 Federal Com

API#

Lea South 25 Federal Com 12H

330'FSL, 340' FEL of Sec 25

Wellbore #1

Plan: Plan 1

Sperry Drilling Services

Combo Report

18 April, 2017

Well Coordinates: 32° 32' 15.94" N
103° 30' 22.57" W

North American Datum 1983
New Mexico Eastern Zone
560,357.70 N
796,213.20 E

Ground Level: 3,760.00 usft

Local Coordinate Origin:

Centered on Site Lea South 25 Federal Com

Viewing Datum:

Plat @ 3785.00usft (KB (+25ft))

TVDs to System:

N

North Reference:

Grid

Unit System:

Midcon (2 decimal)

Version: 5000.1 Build: 81

Report Version: Midcon Combo v1.11

HALLIBURTON

Plan Report for Lea South 25 Federal Com 12H - Plan 1

Measured Depth (usft)	Inclination (°)	Grid Azimuth (°)	TVD below System (usft)	Vertical Depth (usft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100usft)	Vertical Section (usft)	Comments
					Northing (usft)	Easting (usft)	Northing (usft)	Easting (usft)			
0.00	0.00	0.00	-3,785.00	0.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
100.00	0.00	0.00	-3,685.00	100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
200.00	0.00	0.00	-3,585.00	200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
300.00	0.00	0.00	-3,485.00	300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
400.00	0.00	0.00	-3,385.00	400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
500.00	0.00	0.00	-3,285.00	500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
600.00	0.00	0.00	-3,185.00	600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
700.00	0.00	0.00	-3,085.00	700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
800.00	0.00	0.00	-2,985.00	800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
900.00	0.00	0.00	-2,885.00	900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,000.00	0.00	0.00	-2,785.00	1,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,100.00	0.00	0.00	-2,685.00	1,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,200.00	0.00	0.00	-2,585.00	1,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,300.00	0.00	0.00	-2,485.00	1,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,400.00	0.00	0.00	-2,385.00	1,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,500.00	0.00	0.00	-2,285.00	1,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,600.00	0.00	0.00	-2,185.00	1,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,700.00	0.00	0.00	-2,085.00	1,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,800.00	0.00	0.00	-1,985.00	1,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
1,900.00	0.00	0.00	-1,885.00	1,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,000.00	0.00	0.00	-1,785.00	2,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,100.00	0.00	0.00	-1,685.00	2,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,200.00	0.00	0.00	-1,585.00	2,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,300.00	0.00	0.00	-1,485.00	2,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,400.00	0.00	0.00	-1,385.00	2,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,500.00	0.00	0.00	-1,285.00	2,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,600.00	0.00	0.00	-1,185.00	2,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,700.00	0.00	0.00	-1,085.00	2,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,800.00	0.00	0.00	-985.00	2,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
2,900.00	0.00	0.00	-885.00	2,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,000.00	0.00	0.00	-785.00	3,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,100.00	0.00	0.00	-685.00	3,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,200.00	0.00	0.00	-585.00	3,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,300.00	0.00	0.00	-485.00	3,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,400.00	0.00	0.00	-385.00	3,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,500.00	0.00	0.00	-285.00	3,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,600.00	0.00	0.00	-185.00	3,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,700.00	0.00	0.00	-85.00	3,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,800.00	0.00	0.00	15.00	3,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
3,900.00	0.00	0.00	115.00	3,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,000.00	0.00	0.00	215.00	4,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	

Plan Report for Lea South 25 Federal Com 12H - Plan 1

Measured Depth (usft)	Inclination (°)	Grid Azimuth (°)	TVD below System (usft)	Vertical Depth (usft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100usft)	Vertical Section (usft)	Comments
					Northing (usft)	Easting (usft)	Northing (usft)	Easting (usft)			
4,100.00	0.00	0.00	315.00	4,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,200.00	0.00	0.00	415.00	4,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,300.00	0.00	0.00	515.00	4,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,400.00	0.00	0.00	615.00	4,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,500.00	0.00	0.00	715.00	4,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,600.00	0.00	0.00	815.00	4,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,700.00	0.00	0.00	915.00	4,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,800.00	0.00	0.00	1,015.00	4,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
4,900.00	0.00	0.00	1,115.00	4,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,000.00	0.00	0.00	1,215.00	5,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,100.00	0.00	0.00	1,315.00	5,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,200.00	0.00	0.00	1,415.00	5,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,300.00	0.00	0.00	1,515.00	5,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,400.00	0.00	0.00	1,615.00	5,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,500.00	0.00	0.00	1,715.00	5,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,600.00	0.00	0.00	1,815.00	5,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,700.00	0.00	0.00	1,915.00	5,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,800.00	0.00	0.00	2,015.00	5,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
5,900.00	0.00	0.00	2,115.00	5,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,000.00	0.00	0.00	2,215.00	6,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,100.00	0.00	0.00	2,315.00	6,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,200.00	0.00	0.00	2,415.00	6,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,300.00	0.00	0.00	2,515.00	6,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,400.00	0.00	0.00	2,615.00	6,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,500.00	0.00	0.00	2,715.00	6,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,600.00	0.00	0.00	2,815.00	6,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,700.00	0.00	0.00	2,915.00	6,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,800.00	0.00	0.00	3,015.00	6,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
6,900.00	0.00	0.00	3,115.00	6,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,000.00	0.00	0.00	3,215.00	7,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,100.00	0.00	0.00	3,315.00	7,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,200.00	0.00	0.00	3,415.00	7,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,300.00	0.00	0.00	3,515.00	7,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,400.00	0.00	0.00	3,615.00	7,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,500.00	0.00	0.00	3,715.00	7,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,600.00	0.00	0.00	3,815.00	7,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,700.00	0.00	0.00	3,915.00	7,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,800.00	0.00	0.00	4,015.00	7,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
7,900.00	0.00	0.00	4,115.00	7,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,000.00	0.00	0.00	4,215.00	8,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,100.00	0.00	0.00	4,315.00	8,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	

Plan Report for Lea South 25 Federal Com 12H - Plan 1

Measured Depth (usft)	Inclination (°)	Grid Azimuth (°)	TVD below System (usft)	Vertical Depth (usft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100usft)	Vertical Section (usft)	Comments
					Northing (usft)	Easting (usft)	Northing (usft)	Easting (usft)			
8,200.00	0.00	0.00	4,415.00	8,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,300.00	0.00	0.00	4,515.00	8,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,400.00	0.00	0.00	4,615.00	8,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,500.00	0.00	0.00	4,715.00	8,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,600.00	0.00	0.00	4,815.00	8,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,700.00	0.00	0.00	4,915.00	8,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,800.00	0.00	0.00	5,015.00	8,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
8,900.00	0.00	0.00	5,115.00	8,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,000.00	0.00	0.00	5,215.00	9,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,100.00	0.00	0.00	5,315.00	9,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,200.00	0.00	0.00	5,415.00	9,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,300.00	0.00	0.00	5,515.00	9,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,400.00	0.00	0.00	5,615.00	9,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,500.00	0.00	0.00	5,715.00	9,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,600.00	0.00	0.00	5,815.00	9,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,700.00	0.00	0.00	5,915.00	9,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,800.00	0.00	0.00	6,015.00	9,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
9,900.00	0.00	0.00	6,115.00	9,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,000.00	0.00	0.00	6,215.00	10,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,100.00	0.00	0.00	6,315.00	10,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,200.00	0.00	0.00	6,415.00	10,200.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,300.00	0.00	0.00	6,515.00	10,300.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,400.00	0.00	0.00	6,615.00	10,400.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,500.00	0.00	0.00	6,715.00	10,500.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,600.00	0.00	0.00	6,815.00	10,600.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,700.00	0.00	0.00	6,915.00	10,700.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,800.00	0.00	0.00	7,015.00	10,800.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
10,900.00	0.00	0.00	7,115.00	10,900.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
11,000.00	0.00	0.00	7,215.00	11,000.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
11,100.00	0.00	0.00	7,315.00	11,100.00	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	
11,150.82	0.00	0.00	7,365.82	11,150.82	0.00 N	0.00 E	560,357.70	796,213.20	0.00	0.00	KOP
11,175.00	2.90	357.39	7,389.99	11,174.99	0.61 N	0.03 W	560,358.31	796,213.17	12.00	0.61	
11,200.00	5.90	357.39	7,414.91	11,199.91	2.53 N	0.12 W	560,360.23	796,213.08	12.00	2.53	
11,225.00	8.90	357.39	7,439.70	11,224.70	5.74 N	0.26 W	560,363.44	796,212.94	12.00	5.75	
11,250.00	11.90	357.39	7,464.29	11,249.29	10.25 N	0.47 W	560,367.95	796,212.73	12.00	10.26	
11,275.00	14.90	357.39	7,488.60	11,273.60	16.04 N	0.73 W	560,373.74	796,212.47	12.00	16.06	
11,300.00	17.90	357.39	7,512.58	11,297.58	23.09 N	1.05 W	560,380.79	796,212.15	12.00	23.12	
11,325.00	20.90	357.39	7,536.16	11,321.16	31.39 N	1.43 W	560,389.09	796,211.77	12.00	31.42	
11,350.00	23.90	357.39	7,559.27	11,344.27	40.90 N	1.87 W	560,398.60	796,211.33	12.00	40.95	
11,375.00	26.90	357.39	7,581.85	11,366.85	51.61 N	2.36 W	560,409.31	796,210.84	12.00	51.67	
11,400.00	29.90	357.39	7,603.84	11,388.84	63.49 N	2.90 W	560,421.19	796,210.30	12.00	63.56	

Plan Report for Lea South 25 Federal Com 12H - Plan 1

Measured Depth (usft)	Inclination (°)	Grid Azimuth (°)	TVD below System (usft)	Vertical Depth (usft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100usft)	Vertical Section (usft)	Comments
					Northing (usft)	Easting (usft)	Northing (usft)	Easting (usft)			
11,425.00	32.90	357.39	7,625.18	11,410.18	76.50 N	3.49 W	560,434.20	796,209.71	12.00	76.58	
11,450.00	35.90	357.39	7,645.80	11,430.80	90.61 N	4.14 W	560,448.31	796,209.06	12.00	90.71	
11,475.00	38.90	357.39	7,665.66	11,450.66	105.78 N	4.83 W	560,463.48	796,208.37	12.00	105.89	
11,500.00	41.90	357.39	7,684.70	11,469.70	121.96 N	5.57 W	560,479.66	796,207.63	12.00	122.09	
11,525.00	44.90	357.39	7,702.86	11,487.86	139.12 N	6.35 W	560,496.82	796,206.85	12.00	139.27	
11,550.00	47.90	357.39	7,720.10	11,505.10	157.20 N	7.17 W	560,514.90	796,206.03	12.00	157.37	
11,575.00	50.90	357.39	7,736.36	11,521.36	176.17 N	8.04 W	560,533.87	796,205.16	12.00	176.35	
11,600.00	53.90	357.39	7,751.62	11,536.62	195.95 N	8.94 W	560,553.65	796,204.26	12.00	196.15	
11,625.00	56.90	357.39	7,765.81	11,550.81	216.50 N	9.88 W	560,574.20	796,203.32	12.00	216.73	
11,650.00	59.90	357.39	7,778.91	11,563.91	237.77 N	10.85 W	560,595.47	796,202.35	12.00	238.02	
11,675.00	62.90	357.39	7,790.87	11,575.87	259.70 N	11.85 W	560,617.40	796,201.35	12.00	259.97	
11,700.00	65.90	357.39	7,801.67	11,586.67	282.22 N	12.88 W	560,639.92	796,200.32	12.00	282.51	
11,725.00	68.90	357.39	7,811.28	11,596.28	305.27 N	13.93 W	560,662.97	796,199.27	12.00	305.59	
11,750.00	71.90	357.39	7,819.66	11,604.66	328.80 N	15.01 W	560,686.50	796,198.19	12.00	329.14	
11,775.00	74.90	357.39	7,826.80	11,611.80	352.73 N	16.10 W	560,710.43	796,197.10	12.00	353.09	
11,800.00	77.90	357.39	7,832.68	11,617.68	377.00 N	17.21 W	560,734.70	796,195.99	12.00	377.39	
11,825.00	80.90	357.39	7,837.28	11,622.28	401.54 N	18.33 W	560,759.24	796,194.87	12.00	401.96	
11,850.00	83.90	357.39	7,840.58	11,625.58	426.30 N	19.46 W	560,784.00	796,193.74	12.00	426.74	
11,875.00	86.90	357.39	7,842.59	11,627.59	451.19 N	20.59 W	560,808.89	796,192.61	12.00	451.66	
11,900.00	89.90	357.39	7,843.29	11,628.29	476.15 N	21.73 W	560,833.85	796,191.47	12.00	476.64	
11,907.49	90.80	357.39	7,843.24	11,628.24	483.63 N	22.07 W	560,841.33	796,191.13	12.00	484.13	Landing Point
12,000.00	90.80	357.39	7,841.95	11,626.95	576.03 N	26.29 W	560,933.73	796,186.91	0.00	576.63	
12,100.00	90.80	357.39	7,840.55	11,625.55	675.92 N	30.85 W	561,033.62	796,182.35	0.00	676.62	
12,200.00	90.80	357.39	7,839.16	11,624.16	775.81 N	35.41 W	561,133.51	796,177.79	0.00	776.61	
12,300.00	90.80	357.39	7,837.76	11,622.76	875.69 N	39.97 W	561,233.39	796,173.23	0.00	876.60	
12,400.00	90.80	357.39	7,836.36	11,621.36	975.58 N	44.53 W	561,333.28	796,168.67	0.00	976.60	
12,500.00	90.80	357.39	7,834.97	11,619.97	1,075.47 N	49.08 W	561,433.17	796,164.12	0.00	1,076.59	
12,600.00	90.80	357.39	7,833.57	11,618.57	1,175.35 N	53.64 W	561,533.05	796,159.56	0.00	1,176.58	
12,700.00	90.80	357.39	7,832.17	11,617.17	1,275.24 N	58.20 W	561,632.94	796,155.00	0.00	1,276.57	
12,800.00	90.80	357.39	7,830.78	11,615.78	1,375.12 N	62.76 W	561,732.82	796,150.44	0.00	1,376.56	
12,900.00	90.80	357.39	7,829.38	11,614.38	1,475.01 N	67.32 W	561,832.71	796,145.88	0.00	1,476.55	
13,000.00	90.80	357.39	7,827.99	11,612.99	1,574.90 N	71.88 W	561,932.60	796,141.32	0.00	1,576.54	
13,100.00	90.80	357.39	7,826.59	11,611.59	1,674.78 N	76.44 W	562,032.48	796,136.76	0.00	1,676.53	
13,200.00	90.80	357.39	7,825.19	11,610.19	1,774.67 N	81.00 W	562,132.37	796,132.20	0.00	1,776.52	
13,300.00	90.80	357.39	7,823.80	11,608.80	1,874.56 N	85.55 W	562,232.26	796,127.65	0.00	1,876.51	
13,400.00	90.80	357.39	7,822.40	11,607.40	1,974.44 N	90.11 W	562,332.14	796,123.09	0.00	1,976.50	
13,500.00	90.80	357.39	7,821.00	11,606.00	2,074.33 N	94.67 W	562,432.03	796,118.53	0.00	2,076.49	
13,600.00	90.80	357.39	7,819.61	11,604.61	2,174.21 N	99.23 W	562,531.91	796,113.97	0.00	2,176.48	
13,700.00	90.80	357.39	7,818.21	11,603.21	2,274.10 N	103.79 W	562,631.80	796,109.41	0.00	2,276.47	
13,800.00	90.80	357.39	7,816.82	11,601.82	2,373.99 N	108.35 W	562,731.69	796,104.85	0.00	2,376.46	
13,900.00	90.80	357.39	7,815.42	11,600.42	2,473.87 N	112.91 W	562,831.57	796,100.29	0.00	2,476.45	

Plan Report for Lea South 25 Federal Com 12H - Plan 1

Measured Depth (usft)	Inclination (°)	Grid Azimuth (°)	TVD below System (usft)	Vertical Depth (usft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100usft)	Vertical Section (usft)	Comments
					Northing (usft)	Easting (usft)	Northing (usft)	Easting (usft)			
14,000.00	90.80	357.39	7,814.02	11,599.02	2,573.76 N	117.47 W	562,931.46	796,095.73	0.00	2,576.44	
14,100.00	90.80	357.39	7,812.63	11,597.63	2,673.65 N	122.02 W	563,031.35	796,091.18	0.00	2,676.43	
14,200.00	90.80	357.39	7,811.23	11,596.23	2,773.53 N	126.58 W	563,131.23	796,086.62	0.00	2,776.42	
14,300.00	90.80	357.39	7,809.84	11,594.84	2,873.42 N	131.14 W	563,231.12	796,082.06	0.00	2,876.41	
14,400.00	90.80	357.39	7,808.44	11,593.44	2,973.31 N	135.70 W	563,331.01	796,077.50	0.00	2,976.40	
14,500.00	90.80	357.39	7,807.04	11,592.04	3,073.19 N	140.26 W	563,430.89	796,072.94	0.00	3,076.39	
14,600.00	90.80	357.39	7,805.65	11,590.65	3,173.08 N	144.82 W	563,530.78	796,068.38	0.00	3,176.38	
14,700.00	90.80	357.39	7,804.25	11,589.25	3,272.96 N	149.38 W	563,630.66	796,063.82	0.00	3,276.37	
14,800.00	90.80	357.39	7,802.85	11,587.85	3,372.85 N	153.94 W	563,730.55	796,059.26	0.00	3,376.36	
14,900.00	90.80	357.39	7,801.46	11,586.46	3,472.74 N	158.49 W	563,830.44	796,054.71	0.00	3,476.35	
15,000.00	90.80	357.39	7,800.06	11,585.06	3,572.62 N	163.05 W	563,930.32	796,050.15	0.00	3,576.34	
15,100.00	90.80	357.39	7,798.67	11,583.67	3,672.51 N	167.61 W	564,030.21	796,045.59	0.00	3,676.33	
15,200.00	90.80	357.39	7,797.27	11,582.27	3,772.40 N	172.17 W	564,130.10	796,041.03	0.00	3,776.32	
15,300.00	90.80	357.39	7,795.87	11,580.87	3,872.28 N	176.73 W	564,229.98	796,036.47	0.00	3,876.31	
15,400.00	90.80	357.39	7,794.48	11,579.48	3,972.17 N	181.29 W	564,329.87	796,031.91	0.00	3,976.30	
15,500.00	90.80	357.39	7,793.08	11,578.08	4,072.05 N	185.85 W	564,429.75	796,027.35	0.00	4,076.29	
15,600.00	90.80	357.39	7,791.68	11,576.68	4,171.94 N	190.41 W	564,529.64	796,022.79	0.00	4,176.28	
15,700.00	90.80	357.39	7,790.29	11,575.29	4,271.83 N	194.96 W	564,629.53	796,018.24	0.00	4,276.27	
15,800.00	90.80	357.39	7,788.89	11,573.89	4,371.71 N	199.52 W	564,729.41	796,013.68	0.00	4,376.26	
15,900.00	90.80	357.39	7,787.50	11,572.50	4,471.60 N	204.08 W	564,829.30	796,009.12	0.00	4,476.25	
16,000.00	90.80	357.39	7,786.10	11,571.10	4,571.49 N	208.64 W	564,929.19	796,004.56	0.00	4,576.24	
16,047.37	90.80	357.39	7,785.44	11,570.44	4,618.80 N	210.80 W	564,976.50	796,002.40	0.00	4,623.61	BHL

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
11,150.82	11,150.82	0.00	0.00	KOP
11,907.49	11,628.24	483.63	-22.07	Landing Point
16,047.37	11,570.44	4,618.80	-210.80	BHL

Vertical Section Information

Angle Type	Target	Azimuth (°)	Origin Type	Origin		Start TVD (usft)
				+N/-S (usft)	+E/-W (usft)	
User	No Target (Freehand)	357.39	Slot	0.00	0.00	0.00

Plan Report for Lea South 25 Federal Com 12H - Plan 1

Survey tool program

From (usft)	To (usft)	Survey/Plan	Survey Tool
0.00	16,047.37	Plan 1	MWD+SC

Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
- hit/miss target									
- Shape									
LEA South 25 F.C. 12H BHL ()	0.00	0.00	11,570.44	4,618.80	-210.80	564,976.50	796,002.40	32.55046046	-103.50683823
- plan hits target center									
- Point									

Directional Difficulty Index

Average Dogleg over Survey:	0.57 °/100usft	Maximum Dogleg over Survey:	12.00 °/100usft at 11,907.49 usft
Net Tortousity applicable to Plans:	0.57 °/100usft	Directional Difficulty Index:	6.028

Audit Info

North Reference Sheet for Lea South 25 Federal Com - Lea South 25 Federal Com 12H - Wellbore #1

All data is in US Feet unless otherwise stated. Directions and Coordinates are relative to Grid North Reference.

Vertical Depths are relative to Plat @ 3785.00usft (KB (+25ft)). Northing and Easting are relative to Lea South 25 Federal Com

Coordinate System is US State Plane 1983, New Mexico Eastern Zone using datum North American Datum 1983, ellipsoid GRS 1980

Projection method is Transverse Mercator (Gauss-Kruger)

Central Meridian is -104.3333333°, Longitude Origin:0.0000000°, Latitude Origin:0.0000000°

False Easting: 541,337.50usft, False Northing: 0.00usft, Scale Reduction: 0.99998349

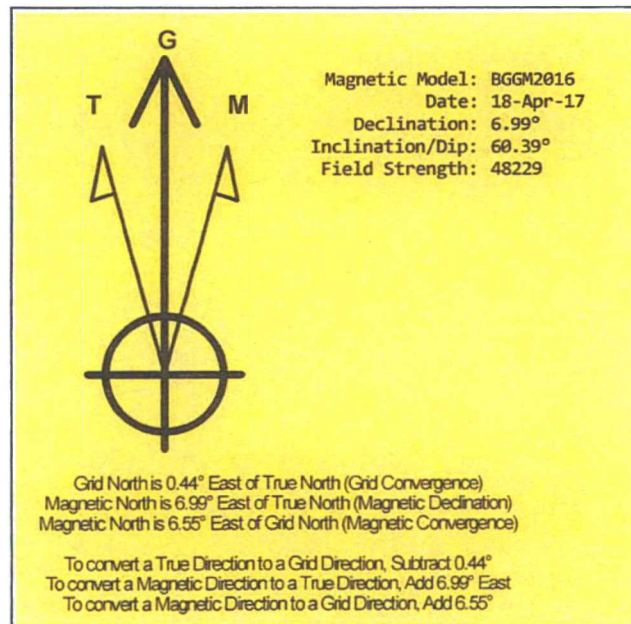
Grid Coordinates of Well: 560,357.70 usft N, 796,213.20 usft E

Geographical Coordinates of Well: 32° 32' 15.94" N, 103° 30' 22.57" W

Grid Convergence at Surface is: 0.44°

Based upon Minimum Curvature type calculations, at a Measured Depth of 16,047.37usft
the Bottom Hole Displacement is 4,623.61usft in the Direction of 357.39° (Grid).

Magnetic Convergence at surface is: -6.55° (18 April 2017, , BGGM2016)



Cameron Type D Annular

13-5/8" 5,000#WP

Shaffer Type SL Double

11" 10,000#WP Ram

11" 10,000#WP Pipe

Shaffer Type SL Single

11" 10,000#WP Pipe

With required adaptors

Mud Cross 11" 10,000#WP

Wing Valve 4 1/16" 10,000#WP

HCR Valve 4 1/16" 10,000#WP

Choke Blk 4 1/16" 10,000#WP

Kill Valve 2 1/16" 10,000#WP

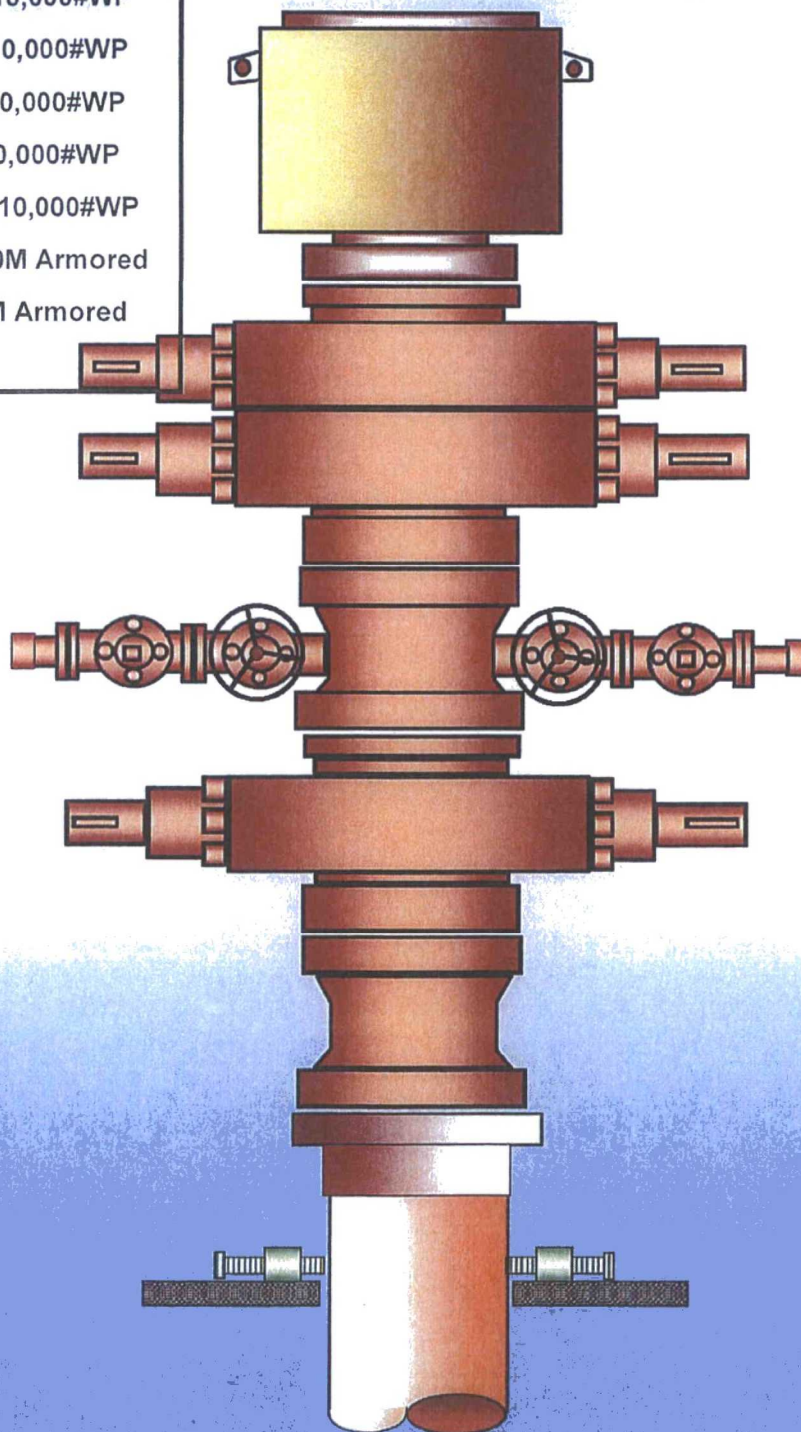
Check Valve 2 1/16" 10,000#WP

Choke Line 4 1/16" 10M Armored

Kill Line 2 1/16" 10M Armored



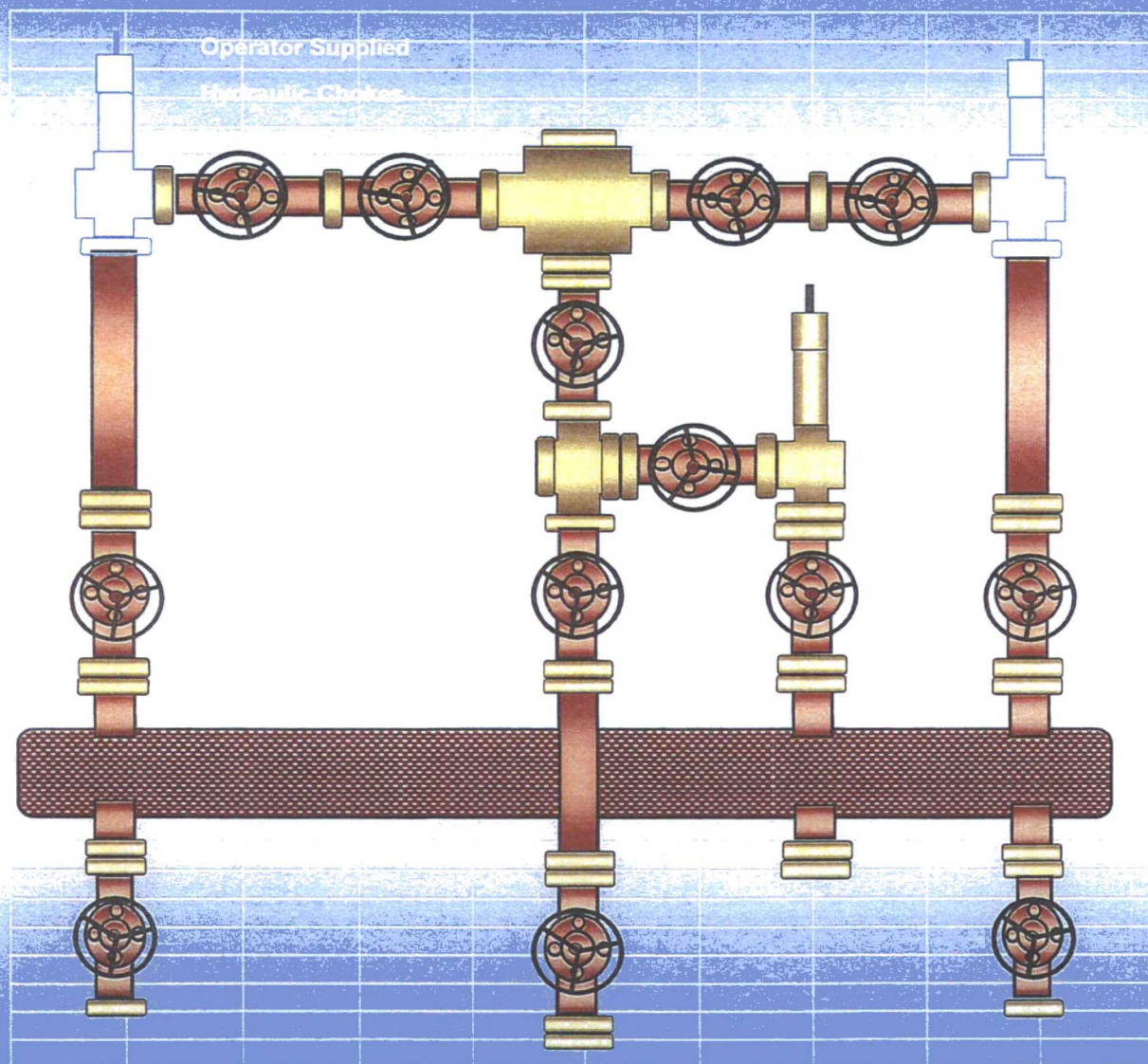
Rig 7



Rig 7

Latshaw

DRILLING



- 3 - Gate Valve 4 1/16" 10,000#WP
- 5 - Gate Valve 3 1/16" 10,000#WP
- 2 - Gate Valves 4 1/16" 5,000#WP
- 3 - Gate Valve 3 1/8" 5,000#WP
- 1- Gate Valve 2 1/16" 10,000#WP
- 1 - Manual Adjustable Choke 3 1/10" 10,000#WP
- 1 - DSA, 3 1/16" 10,000#WP
- 2 - Spacer Spool, 3 1/8" 5 000#WP
- 1 - Spool, flange adp 2 1/16" 10M
- 1 - Studded Cross (5way) 5,000#WP
- 1 - Tee Studded
- 1 - Instrument Flange and Gauge
- 10 3/4" Buffer Chamber
- 3 - Blind Flanges, 4 1/16" & 3 1/8" 5M
- 3 - Flanges, 4 1/16" 5M & 10M

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Nearburg Operating
LEASE NO.:	NMLC0066126
WELL NAME & NO.:	Lea South 25 Fed Com WCA 12H
SURFACE HOLE FOOTAGE:	330 'S & 340'/E
BOTTOM HOLE FOOTAGE:	330'/N & 510'/E
LOCATION:	Section 25, T.20 S., R.34 E., NMPM
COUNTY:	Lea County, New Mexico

A. CASING

All previous COAs still apply except the following:

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

1. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Operator has proposed DV tool at depth of 3970', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range. If an ECP is used, it is to be set a minimum of 50' below the shoe to provide cement across the shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

- a. First stage to DV tool:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage. **Excess calculates to 24% - Additional cement might be required.**

- b. Second stage above DV tool:

☒ Cement to surface. If cement does not circulate to the surface:

- i. The appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- ii. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- iii. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the **5-1/2** inch intermediate casing is:

- ☒ Cement should tie-back at least 50 feet above top of Capitan Reef which will be approximately **3920** feet (Capitan Reef top at **3970** feet). Operator should have plans as to how they will achieve circulation on the next stage. **Excess calculates to 24% - Additional cement might be required.**

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi. **5M/10M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.**
- 3. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

Proposed mud weight may not be adequate for drilling through Wolfcamp.

MHH 06132017